# **EXHIBIT 1**

### **INTRODUCTION**

Respondent Jon Lauritzen ("Lauritzen") is a current member of the Los Angeles Unified School District Board of Education. Jon Lauritzen for School Board ("Committee") was the controlled committee of Respondent Lauritzen. Respondent Kinde Durkee was the Committee treasurer at all times relevant to this matter. Prior to the March 4, 2003 primary election, Respondents paid for and sent a campaign mailer that did not include proper sender identification, in violation of the Political Reform Act (the "Act"). 1

For the purposes of this stipulation, Respondents' violation of the Act is stated as follows:

COUNT 1: On or about February 28, 2003, Respondents Jon Lauritzen, Jon Lauritzen for School Board, and Kinde Durkee sent a mass mailing, as defined in section 82041.5 of the Government Code, entitled "This Home Votes Democratic" that failed to include required sender identification, in violation of section 84305 of the Government Code.

#### **SUMMARY OF THE LAW**

Section 84305, subdivision (a) requires candidates and committees to properly identify themselves when sending a mass mailing. The subdivision specifically requires that:

[N]o candidate or committee shall send a mass mailing unless the name, street address, and city of the candidate or committee are shown on the outside of each piece of mail in the mass mailing and on at least one of the inserts included within each piece of mail of the mailing in no less than 6-point type which shall be in a color or print which contrasts with the background so as to be easily legible. A post office box may be stated in lieu of a street address if the organization's address is a matter of public record with the Secretary of State.

Section 82041.5 and regulation 18435 define a "mass mailing" as over two hundred substantially similar pieces of mail sent in a calendar month that are not sent in response to an unsolicited request, letter, or other inquiry. Regulation 18435, subdivision (b) further provides that the "sender" of the mass mailing is the candidate or committee who pays for the largest portion of expenditures attributable to the mass mailing that are reportable under the Act.

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<sup>&</sup>lt;sup>1</sup> The Political Reform Act is contained in Government Code sections 81000 through 91014. All statutory references are to the Government Code, unless otherwise indicated. The regulations of the Fair Political Practices Commission are contained in sections 18109 through 18997 of title 2 of the California Code of Regulations. All regulatory references are to title 2, division 6 of the California Code of Regulations, unless otherwise indicated.

## **SUMMARY OF THE FACTS**

On or about February 28, 2003, prior to the March 4, 2003 primary election, Respondents paid for and sent a campaign mailer entitled "This Home Votes Democratic" to approximately 30,000 households. The mailer featured Respondent Lauritzen and two other candidates, all of whom where running for local city offices. The mailer failed to include any information identifying Respondent Committee as the sender of the mailer, in violation of section 84305.

#### CONCLUSION

This matter consists of one count of sending a mass mailing in violation of section 84305 of the Act, which carries a maximum administrative penalty of Five Thousand Dollars (\$5,000).

The failure to include the proper sender identification on a mass mailing deprives the public of important information regarding the sponsor of the mailing. The typical administrative penalty for a violation of this kind has historically ranged from \$1,750 to \$2,500.

The candidates featured in the mailer, including Respondent Lauritzen, received the official endorsement of the California Democratic Party. The mailer included a statement to this effect. However, this statement, when coupled with the lack of sender identification, had the potential to lead a recipient of the mailer to erroneously conclude that the mailer was paid for and sent by the California Democratic Party. Although the California Democratic Party had endorsed the featured candidates, it had not paid for the mailer.

Respondents' violation in this matter was not deliberate as it appears that the Public Relations firm hired by Respondents inadvertently omitted the required information when designing the mailer. Respondents have cooperated fully with the Enforcement Division of the Fair Political Practices Commission in this matter.

The facts of this case justify imposition of the agreed upon penalty of Two Thousand Dollars (\$2,000).